

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	§	Chapter 11
	§	
W.R. GRACE & CO., <i>et al.</i>,	§	Jointly Administered
	§	Case No. 01-01139 (KJC)
Debtors.	§	
	§	

**FEE AUDITOR'S FINAL REPORT REGARDING FORTY-EIGHTH
INTERIM QUARTERLY FEE APPLICATION OF
BILZIN SUMBERG BAENA PRICE & AXELROD LLP**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Forty-Eighth Interim Quarterly Fee Application of Bilzin Sumberg Baena Price & Axelrod LLP (the “Application”).

BACKGROUND

1. Bilzin Sumberg Baena Price & Axelrod LLP (“Bilzin Sumberg”) was retained as counsel to the Official Committee of Asbestos Property Damage Claimants. In the Application, Bilzin Sumberg seeks approval of fees totaling \$12,013.45 and expenses totaling \$512.41 for its services from January 1, 2013 through March 31, 2013 (the “Application Period”).

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2013, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C.

§ 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We emailed an inquiry to Bilzin Sumberg based upon our review, and we received a response from Bilzin Sumberg, portions of which response are quoted herein.

DISCUSSION

3. We noted that while Bilzin Sumberg requested fees totaling \$12,013.45 for the Application Period, we calculated the total fees at \$11,046.24, for a difference of \$967.21. We further noted that although the January 2013 monthly fee application reflected a credit of \$967.21, and reference to the credit was made in Footnote 1 of the Quarterly Fee Application, the \$967.21 credit was not actually subtracted from Bilzin Sumberg’s fee request for the quarter. We asked Bilzin Sumberg whether it agreed with our calculation of its fees at \$11,046.24, and Bilzin Sumberg responded:

We agree with the calculation of our fees at \$11,046.24 being due. The reason the higher amount is included is because we still needed to have that amount “allowed” by the court, even though the credit was given.

We note, from this response, that Bilzin Sumberg agrees with our calculation, and thus recommend that its fee request be reduced to \$11,046.24, for a reduction of \$967.21 in fees.

CONCLUSION

4. Thus, we recommend approval of \$11,046.24 in fees (\$12,013.45 minus \$967.21) and \$512.41 in expenses for Bilzin Sumberg’s services for the Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: 

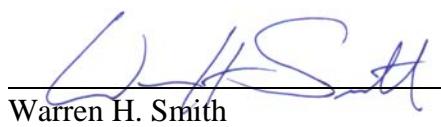
Warren H. Smith
Texas State Bar No. 18757050

2235 Ridge Road, Suite 105
Rockwall, Texas 75087
214-698-3868
214-722-0081 (fax)
whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 6th day of September, 2013.


Warren H. Smith

SERVICE LIST

Applicant

Scott L. Baena
Jay M. Sakalo
Bilzin Sumberg Baena Price & Axelrod LLP
1450 Brickell Avenue, Suite 2300
Miami, FL 33131

sbaena@bilzin.com
jsakalo@bilzin.com

The Debtors

Richard Finke
Assistant General Counsel
W.R. Grace & Co.
7500 Grace Drive
Columbia, MD 21044

United States Trustee

Richard Schepacarter
Office of the United States Trustee
844 King Street, Lockbox 35, Room 2207
Wilmington, DE 19801

Counsel for the Debtors

John Donley
Adam Paul
Kirkland & Ellis LLP
200 East Randolph Drive
Chicago, IL 60601

Laura Davis Jones
James E. O'Neill
Pachulski Stang Ziehl & Jones LLP
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Counsel to the Official Committee of Unsecured Creditors

Denise Wildes
Kenneth Pasquale
Stroock & Stroock & Lavan
180 Maiden Lane
New York, NY 10038-4982

Michael R. Lastowski
Duane Morris LLP
1100 N. Market Street, Suite 1200
Wilmington, DE 19801-1246

Counsel to the Official Committee of Property Damage Claimants

Michael B. Joseph
Theodore J. Tacconelli
Ferry & Joseph, P.A.
824 Market Street, Suite 904
Wilmington, DE 19801

Counsel to the Official Committee of Personal Injury Claimants

Elihu Inselbuch
Rita Tobin
Caplin & Drysdale
600 Lexington Avenue, 21st Floor
New York, NY 10022-6000

Marla R. Eskin
Mark Hurford
Kathleen Campbell Davis
Campbell & Levine, LLC
222 Delaware Avenue, Suite 1620
Wilmington, DE 19801

Counsel to the Official Committee of Equity Holders

Philip Bentley
David E. Blabey, Jr.
Kramer Levin Naftalis & Frankel
1177 Avenue of the Americas
New York, NY 10036

Teresa K.D. Currier
SAUL EWING LLP
222 Delaware Avenue
P.O. Box 1266
Wilmington, DE 19899